

CBC FINANCE LIMITED

(A FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC)

PUBLICATION OF INTERIM FINANCIAL STATEMENTS AS PER THE CENTRAL BANK GUIDELINE NO.02 OF 2006

Fitch Rating 'A(lka)'

In Rupees Million

Key financial data for the 06 months ended 30 June	2022 (Unaudited)	2021 (Unaudited)
Interest income	631.39	579.62
Interest expenses	(313.12)	(221.90)
Net interest income	318.27	357.72
Gains / (losses) from trading activities	-	-
Other income	60.09	55.08
Operating expenses	(158.96)	(123.46)
Impairment	(157.50)	(259.29)
Profit / (loss) before tax	61.90	30.05
Taxes	(44.64)	(38.51)
Profit / (loss) after tax	17.26	(8.44)

In Rupees Million

Key financial data as at 30 June	2022 (Unaudited)	2021 (Unaudited)
ASSETS		
Cash and bank balances	9.15	9.36
Government securities	1,701.00	-
Due from related parties	90.70	954.75
Loans	8,348.05	8,274.98
Investments in equity	2.10	2.10
Investment properties and real estate	25.15	25.15
Property, plant, equipment and right of use assets	402.25	318.30
Other assets	292.45	260.91
Total assets	10,870.85	9,845.55
LIABILITIES		
Due to banks	163.84	632.70
Due to related parties	2,727.62	621.72
Deposits from customers	4,542.04	5,176.79
Other borrowings	-	-
Other liabilities	289.12	217.91
Total liabilities	7,722.62	6,649.12
EQUITY		
Stated capital	3,255.00	3,255.00
Statutory reserve fund	31.35	26.46
Retained earnings	(232.03)	(192.79)
Other reserves	93.91	107.76
Total equity	3,148.23	3,196.43
Total liabilities and equity	10,870.85	9,845.55
Net assets value per share (Rs.)	14.19	14.41

Selected key performance indicators as at 30 June

Regulatory Capital Adequacy (%)

	2022 (Unaudited)	2021 (Unaudited)
Tier 1 capital adequacy ratio	25.64	25.81
Total capital adequacy ratio	25.64	25.81
Capital funds to deposit liabilities ratio	57.46	55.72

Quality of Loan Portfolio (%)

	2022 (Unaudited)	2021 (Unaudited)
Gross non performing loan ratio	13.20	15.31
Net non performing loan ratio	1.90	3.26
Net non performing loans to Core capital ratio	6.29	10.72
Provision coverage ratio	64.59	54.94

Profitability (%)

	2022 (Unaudited)	2021 (Unaudited)
Net interest margin	6.47	8.59
Return on assets	0.79	0.39
Return on equity	1.10	-0.53
Cost to income ratio	42.01	29.91

Liquidity (%)

	2022 (Unaudited)	2021 (Unaudited)
Available liquid assets to required liquid assets (minimum 100%)	325.00	249.00
Liquid assets to external funds	24.08	14.71

Memorandum Information

	2022 (Unaudited)	2021 (Unaudited)
Number of branches	13	10
External credit rating	Fitch Rating A(lka)	Fitch Rating A(lka)

There are no regulatory restrictions imposed by the Central Bank of Sri Lanka on the operations of the Company.

Certification

We, the undersigned, being the Managing Director / Chief Executive Officer, the Senior Manager - Finance and the Compliance Officer of CBC Finance Limited certify jointly that:

- (A) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL);
- (B) The information contained in these statements has been extracted from the unaudited financial statements of the Company unless indicated as audited.

.....(Sgd.)

D.M.U.N. Dissanayake
Managing Director / Chief Executive Officer

Date:- 29.08.2022

.....(Sgd.)

W.M.N.S. Sardarathne
Senior Manager - Finance

Date:- 29.08.2022

.....(Sgd.)

Mahasen Kamathewatte
Compliance Officer

Date:- 29.08.2022

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A Fully Owned Subsidiary of Commercial Bank of Ceylon PLC